

## TRANSPORTATION DEPARTMENT[761]

### Notice of Intended Action

#### **Proposing rule making related to taxicab motor carrier certification and providing an opportunity for public comment**

The Department of Transportation hereby proposes to amend Chapter 524, “For-Hire Intrastate Motor Carrier Authority,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code sections 307.12 and 325A.10.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapter 325A as amended by 2018 Iowa Acts, Senate File 2271.

#### *Purpose and Summary*

This proposed rule making amends Chapter 524 to align the rules with Iowa Code chapter 325A as amended by 2018 Iowa Acts, Senate File 2271. The legislation requires taxicab companies to apply to the Department for a taxicab motor carrier passenger certificate and to meet certification requirements.

The proposed amendments add a reference to Iowa Code chapter 325A, which governs motor carrier authority. Iowa Code chapter 325A was significantly amended during the 2018 Legislative Session to incorporate new requirements related to regulation of taxicab service companies in Iowa. Prior to enactment of the legislation, a taxicab company could only be regulated by the local authority the company operated within. However, when regulation of transportation network companies was established by 2016 Iowa Acts, chapter 1101 (House File 2414), many local authorities opted out of regulating taxicab companies. This decision left a void in oversight as the Department did not have the authority to regulate taxicab companies until 2018 Iowa Acts, Senate File 2271, became effective July 1, 2018. Now, taxicab companies are required to apply to the Department for a motor carrier passenger certificate and to meet all applicable certification requirements.

Specifically, the proposed amendments provide for an electronic application process for persons applying for a motor carrier permit or certificate and require the application to contain the U.S. DOT number only if a U.S. DOT number is required by the Federal Motor Carrier Safety Administration (FMCSA). FMCSA requires a U.S. DOT number for motor carriers but does not provide one for passenger vehicles designed to transport eight passengers or less, including the driver. This provision means that certain taxicab companies do not qualify for a U.S. DOT number under federal law, so the Department is conforming application requirements accordingly.

The proposed amendments allow a motor carrier certificate to be issued either in a physical or electronic format prescribed by the Department and mirror efficiencies the Department is seeking in other motor vehicle division processes by allowing more transactions and issuances to be completed electronically. The proposed amendments also require the motor carrier certificate number to be included with the request for a duplicate permit or certificate to allow for more accurate record keeping and processing efficiency.

Finally, the proposed amendments require a motor carrier operating intrastate only to display the U.S. DOT number if the motor carrier was issued a U.S. DOT number by FMCSA. As noted above, FMCSA requires a U.S. DOT number for a motor carrier but does not provide one for passenger vehicles designed to transport eight passengers or less, including the driver. This provision means that certain taxicab companies do not qualify for a U.S. DOT number under federal law, so the Department is conforming the motor carrier marking requirements accordingly.

### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

### *Waivers*

Any person who believes that the person's circumstances meet the statutory criteria for a waiver may petition the Department for a waiver under 761—Chapter 11.

### *Public Comment*

Any interested person may submit written comments concerning this proposed rule making or may submit a written request to make an oral presentation at a public hearing. Written comments or requests to present oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on February 5, 2019. Comments should be directed to:

Tracy George  
Department of Transportation  
DOT Rules Administrator, Strategic Communications and Policy  
800 Lincoln Way  
Ames, Iowa 50010  
Email: [tracy.george@iowadot.us](mailto:tracy.george@iowadot.us)

### *Public Hearing*

A public hearing to hear requested oral presentations will be held as follows:

February 7, 2019  
2 p.m.

Department of Transportation  
Motor Vehicle Division  
6310 SE Convenience Boulevard  
Ankeny, Iowa

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact Tracy George, the Department's rules administrator, and advise of specific needs.

The public hearing will be canceled without further notice if no oral presentation is requested.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule 761—524.1(325A) as follows:

**761—524.1(325A) Purpose and applicability.**

**524.1(1)** This chapter establishes requirements concerning for-hire intrastate motor carriers as authorized by Iowa Code chapter 325A.

**524.1(2)** This chapter applies to motor carriers of household goods, bulk liquid commodities, all other property, and passengers being transported for hire on any highway of this state other than a transportation network company or transportation network company driver as both are defined in Iowa Code section 321N.1 and provided for in 761—Chapter 540.

ITEM 2. Amend rule 761—524.2(325A) as follows:

**761—524.2(325A) General information.**

**524.2(1) *Information and location.*** Applications, forms and information on motor carrier permits and motor carrier certificates are available by mail from the Office of Vehicle and Motor Carrier Services, Iowa Department of Transportation, P.O. Box 10382, Des Moines, Iowa 50306-0382; in person at 6310 SE Convenience Blvd., Ankeny, Iowa; by telephone at (515)237-3224 (515)237-3268; ~~or~~ by facsimile at (515)237-3354 (515)237-3225; or by email at omcs@iowadot.us.

**524.2(2)** No change.

**524.2(3) *Complaints.*** Complaints against motor carriers pertaining to the provisions of this chapter shall be submitted in writing to the office of vehicle and motor carrier services.

ITEM 3. Amend rule 761—524.3(325A) as follows:

**761—524.3(325A) Applications and supporting documents.**

**524.3(1) *Application.*** An application for a motor carrier permit or motor carrier certificate shall be made to the office of vehicle and motor carrier services on a form prescribed for that purpose and furnished upon request. The department may require application forms and supporting documentation to be submitted electronically.

**524.3(2) *Application fee.*** An application for a motor carrier permit or motor carrier certificate shall be accompanied by the statutory application fee. This fee shall be paid by credit card or by cash, check or money order made payable to the Iowa Department of Transportation.

**524.3(3) *Supporting documents.*** An application for a motor carrier permit or motor carrier certificate must be accompanied by the following:

*a.* and *b.* No change.

*c.* ~~Form MCS 150, if the motor carrier does not have a~~ A U.S. DOT number if required by the Federal Motor Carrier Safety Administration.

*d.* and *e.* No change.

ITEM 4. Amend rule 761—524.4(325A) as follows:

**761—524.4(325A) Issuance of credentials.** When all requirements are met, the department shall issue the motor carrier permit or certificate. The motor carrier shall make a copy of the permit or certificate and carry it in each motor vehicle at all times. The copy may be in either a physical or an electronic format as prescribed by the department. The permit or certificate shall be available for display to any peace officer upon request.

ITEM 5. Amend rule 761—524.5(325A) as follows:

**761—524.5(325A) Duplicate motor carrier permit or motor carrier certificate.** Written requests for a duplicate motor carrier permit or motor carrier certificate shall be sent to the office of vehicle and motor carrier services. Requests shall include the carrier name, certificate number, or U.S. DOT number. Any motor carrier in good standing shall be issued a duplicate document upon payment of the required fee.

ITEM 6. Amend rule 761—524.6(325A) as follows:

**761—524.6(325A) Amendment to a motor carrier permit or certificate.**

**524.6(1) *Update to a motor carrier permit.*** To change the commodities being transported under a permit, an updated application must be submitted to the office of vehicle and motor carrier services.

The updated application shall include the permit number and the required fee for a duplicate permit. Transporting of commodities not listed on the permit shall not commence until a new permit or temporary permit has been issued and is carried in the vehicle.

**524.6(2) *Change of name or address for a motor carrier permit or certificate.*** Notification of a name or address change shall be sent to the office of vehicle and motor carrier services within 30 days after the change. Notification shall include the permit or certificate number, old name or address, new name or address, and the required fee.

ITEM 7. Amend subrule 524.7(2) as follows:

**524.7(2) *Self-insurance.*** In lieu of maintaining the above insurance, intrastate carriers that also operate interstate and have been approved by a federal agency to self-insure may apply to the department to self-insure by submitting a written request to the office of vehicle and motor carrier services. The written request shall include a copy of the federal agency's approval. The department shall allow self-insurance as long as a federal agency has approved the carrier to self-insure and the motor carrier provides the department with copies of any information required by that federal agency. The department must be notified immediately by the motor carrier if there is any change in the status of the self-insurance for interstate operation.

ITEM 8. Amend rule 761—524.8(325A) as follows:

**761—524.8(325A) Self-insurance for motor carriers of passengers.**

**524.8(1) *Applications for self-insurance.*** A motor carrier of passengers with more than 25 motor vehicles may request self-insurance by submitting a written request to the office of vehicle and motor carrier services. The written request shall include a copy of the most recent audited financial statement and a vehicle list.

**524.8(2) *Review by the department.*** The department may request additional information. The department shall deny the request to self-insure or suspend existing approval if the motor carrier fails to meet the self-insurance standard. Approval of self-insurance is continuous. However, the motor carrier shall annually file audited financial statements with the office of vehicle and motor carrier services within 60 days after the end of the motor carrier's fiscal year.

**524.8(3)** No change.

ITEM 9. Amend rule 761—524.11(325A) as follows:

**761—524.11(325A) Safety education seminar.**

**524.11(1)** No change.

**524.11(2) *Availability.*** The department shall provide an approved safety education seminar periodically. Information on the seminar schedule is available by mail from the Office of ~~Motor Vehicle Enforcement~~ Vehicle and Motor Carrier Services, Iowa Department of Transportation, P.O. Box ~~10473~~ 10382, Des Moines, Iowa ~~50306-0473~~ 50306-0382; in person at 6310 SE Convenience Blvd., Ankeny, Iowa; or by telephone at ~~(800)925-6469~~ (515)237-3268.

**524.11(3)** No change.

**524.11(4) *Exemption.*** Passenger carriers with vehicles not meeting the definition of a commercial vehicle as defined in Iowa Code section 321.1 are exempt from attending the safety education seminar and paying the seminar fee. A motor carrier certificate issued for such a carrier contains the statement: "limited to noncommercial vehicles only." If a motor carrier wishes to start operating vehicles that meet the definition of a commercial motor vehicle, the motor carrier must update its authority with the office of vehicle and motor carrier services. A motor carrier must pay the seminar fee and attend the seminar within six months of updating the certificate. A new motor carrier certificate removing the limitation would then be issued.

ITEM 10. Amend paragraph **524.12(1)"b"** as follows:

*b.* U.S. DOT number followed by the letters "IA;" if the motor carrier has been issued a number by the Federal Motor Carrier Safety Administration.

ITEM 11. Amend rule 761—524.15(325A) as follows:

**761—524.15(325A) Tariffs.**

**524.15(1) Requirements.** All motor carriers of household goods shall maintain on file with the office of vehicle and motor carrier services a tariff stating the rates and charges that apply for the services performed under the permit.

**524.15(2)** No change.

**524.15(3) Filing date.** All changes to tariffs and supplements must be filed with the office of vehicle and motor carrier services at least seven days prior to the effective date. Tariffs, supplements or adoption notices issued in connection with applications for motor carriers of household goods may become effective on the date the permits are issued.

**524.15(4) Copy to department.** To file a tariff with the office of vehicle and motor carrier services, motor carriers of household goods or their agents shall submit a transmittal letter listing all the enclosed tariffs and include one copy of each tariff, supplement or revised page.

**524.15(5) to 524.15(7)** No change.

**524.15(8) Tariff changes.** All rates and charges which have been filed with the office of vehicle and motor carrier services must be allowed to become effective and remain in effect for a period of at least seven days before being changed, canceled or withdrawn. All tariffs, supplements and revised pages shall indicate changes from the preceding issue by use of the following symbols:

(R) to denote reductions

(A) to denote increases

(C) to denote changes, the result of which is neither an increase nor a reduction.

The proper symbol must be shown directly in connection with each change.

**524.15(9)** No change.

**524.15(10) Application for special permission.** Motor carriers of household goods and agents when making application for permission to establish rates, charges, or rules of the tariff on less than the statutory seven days' notice shall use the form prescribed by the office of vehicle and motor carrier services.

**524.15(11) Powers of attorney and participation notices.**

a. No change.

b. The original power of attorney shall be filed with the office of vehicle and motor carrier services and a copy sent to the agent or motor carrier of household goods on whose behalf the document was issued.

c. No change.

**524.15(12) Nonconforming tariffs.** The office of vehicle and motor carrier services shall review tariffs that do not conform with subrules 524.15(1) to 524.15(11) to determine if ~~they~~ the tariffs contain the necessary information and ~~if they~~ are acceptable. Tariffs that are unacceptable shall be returned with an explanation.

ITEM 12. Amend rule 761—524.18(325A) as follows:

**761—524.18(325A) Hearings.** A person whose application for a motor carrier permit or certificate has been denied for a reason other than noncompliance with insurance requirements or whose motor carrier permit or certificate has been suspended or revoked for a reason other than noncompliance with insurance requirements may contest the decision in accordance with Iowa Code chapter 17A and 761—Chapter 13, ~~Iowa Administrative Code~~. The request for a hearing shall be submitted in writing to the director of the office of vehicle and motor carrier services. The request shall include, as applicable, the motor carrier's name, permit or certificate number, complete address and telephone number. The request must be submitted within 20 days after the date of the notice of suspension, revocation or denial.